REMARKS

Summary of Office Action

Claims 1-38 are pending in this application.

The Examiner said applicants' arguments filed in the September 22, 2008 Reply To Office Action have been fully considered but are not persuasive.

Accordingly, claims 1-38 stand finally rejected under 35 U.S.C. § 103(a) as being obvious from Hendricks U.S. Patent Application Publication No. 2005/0157217 (hereinafter "Hendricks").

Summary of Applicants' Reply

Applicants submit concurrently herewith a Request For Continued Examination under 37 C.F.R. § 1.114.

Applicants have amended independent claims 7, 10, 14, 16, 21, and 36 to more particularly point out and distinctly claim the invention.

No new matter has been added.

Reconsideration of this application in view of the amendments and following remarks is respectfully requested.

Rejections of Claims 1-38 Under 35 U.S.C. § 103(a)

Claims 1-38 were rejected under 35 U.S.C. § 103(a) as being obvious from Hendricks.

These rejections are respectfully traversed.

Applicants claim <u>video-on-demand</u> ("<u>VOD</u>") services and methods of operating <u>VOD</u> services that are accessible by subscribers and <u>non-subscribers of those services</u>. In particular, <u>non-subscribers</u> may select from a list and view <u>segments/previews</u> of full-length video programs <u>on demand</u>, but may <u>not</u> view the full-length programs themselves, which <u>only</u> subscribers may view on demand.

I) The Examiner asserted that Hendricks "discloses a method of operating a video-on-demand (VOD) service" (final Office Action, page 2; emphasis added).

This assertion is completely baseless.

Hendricks does <u>not</u> disclose or suggest a method of operating a <u>VOD service</u>.

To the contrary, Hendricks discloses methods of operating <u>near-video-on-demand</u> ("NVOD") services in connection with a television program delivery system.

"For example, in the movie category, which has the greatest allocation of channels, the <u>same movie may be shown continuously and simultaneously on different channels</u>.

Each channel starts the movie at a <u>different time</u>" Paragraph 153; emphasis added.

"In order to allow subscribers to view hit movies ... multiple start times for the same movie are provided. In order to provide the multiple start time service, the same movie must be shown on multiple channels at staggered start times." Paragraph 302.

"[A] subscriber may access information on a particular movie and ascertain the various start times for that movie." Paragraph 317.

"When the movie's start time is approaching, the set top terminal 220 will automatically bring the viewer to the correct channel carrying the movie" Paragraph 309.

This is known in the art as <u>near</u>-video-on-demand (NVOD). Subscribers can view only those programs that the <u>NVOD provider</u> has decided to broadcast at only those times the <u>NVOD provider</u> has pre-selected.

To further distinguish Hendricks' NVOD system from applicants' VOD service, Hendricks notably discloses the following:

"Using several transmission channels, each movie in the library is shown at least once during a one-month period." Paragraph 317.

"[A] subscriber may tape movies which are shown at inconvenient times for later viewing" (id.; emphasis added).

This is precisely a problem that applicants' VOD service solves – viewers can select and view programs on demand – that is, at the viewer's convenience!!

A VOD service advantageously allows the <u>viewer</u> to decide what programs to view and when to view them (i.e., "on demand") – unlike NVOD services, where the <u>service</u> <u>provider</u> makes those decisions.

In sum, Hendricks does <u>not</u> disclose a <u>method of operating a VOD service</u>.

If the Examiner maintains his assertion, the Examiner is invited to cite, by paragraph and line number(s) within the paragraph, <u>exactly where</u> Hendricks allegedly discloses a <u>method of operating a VOD service</u>.

II) The Examiner also asserted that Hendricks' service is "accessible to subscribers and <u>non-subscribers</u> of <u>the service</u>" (final Office Action, page 2; emphasis added).

This assertion also is completely baseless.

Hendricks' does <u>not</u> disclose or suggest in any way that its television program delivery system is accessible to non-subscribers of that system. Hendricks is from the outset directed to <u>only subscribers</u> of its television program delivery system. Note, for example, Hendricks' title: "Remote Control Menu Driven <u>Subscriber Access</u> To Television Programming" (emphasis added). Moreover, Hendricks' 32 pages of double-columned specification is replete with references to <u>subscribers</u> of its program delivery system:

"The present invention is a program delivery system which provides <u>subscribers</u> with a user friendly interface to operate and exploit a six-fold or more increase in current program delivery capability." (Paragraph 13, lines 7-11; emphasis added.)

"Subscribers will be able to access the expanded program package and view selected programs" (Paragraph 14, lines 1-2; emphasis added.)

"The delivery system employs ... a set-top terminal in each subscriber's home." (Paragraph 18, lines 1-3; emphasis added.)

"[T]he subscriber may select desired programming through the system's menu-driven scheme" (Paragraph 28, lines 1-3; emphasis added.)

"A subscriber can easily navigate through the menu system" (Paragraph 269, lines 14-15; emphasis added.)

Hendricks does <u>not</u> disclose or suggest in any way what access, if any, a <u>non-subscriber</u> has to its program delivery system.

Hendricks does <u>not</u> even describe how a non-subscriber can become a subscriber.

Still further, the Examiner contradicted his own assertion by acknowledging that Hendricks "is <u>silent</u> as to specific use of the phrase '<u>non-subscriber</u>' in the disclosure" (final Office Action, page 4; emphasis added).

Hendricks is not only silent as to any "specific" use of the phrase "non-subscriber," but is completely silent as to <u>ANY</u> use of the phrase "non-subscriber" – either

general, specific, or otherwise – because Hendricks' system is very plainly directed to ONLY subscribers.

In an attempt to support his assertion, the Examiner cited Hendricks' FIGS. 30-32, which illustrates the process of a subscriber ordering a specialty channel and receiving the displayed message, "Thank you for subscribing! You are joining the channel in progress" (FIG. 32). The Examiner also cited FIG. 33 which, if the subscriber has already ordered the specialty channel, displays the message, "You are a current subscriber. Thank you! ... joining now in progress."

Although Hendricks discloses that <u>subscribers</u> may order specialty channels – this does <u>not</u> mean, however, that those subscribers who have <u>not</u> ordered a specialty channel are <u>non-subscribers</u> of Hendricks' <u>program delivery system</u>. They are, arguably at best, non-subscribers <u>of specialty channels</u>. These FIGS., therefore, do <u>not</u> support the assertion that Hendricks' television program delivery system is accessible to <u>non-subscribers of that system</u>.

In sum, Hendricks does <u>not</u> disclose or suggest in any way that its television program delivery system is accessible to <u>non-subscribers</u> of that system.

If the Examiner maintains his assertion, the Examiner is invited to cite, by paragraph and line number(s) within the paragraph, exactly where Hendricks allegedly discloses that non-subscribers of its program delivery system have access to that delivery system.

III) The Examiner then asserted that Hendricks "<u>transmits</u> one of the <u>segments</u> to the viewing station ... <u>when the second signal indicates a selection of the one segment by</u> either a subscriber or a subscriber not currently subscribe [sic] to program(s)/channel(s) (refer to as 'non-

subscriber')." The Examiner then cited Hendricks' paragraphs 186, 264, 280, 281, and 284-286. Final Office Action, page 3.

This assertion also is completely baseless.

No where does Hendricks disclose that a <u>segment</u> of a program is <u>transmitted</u> to a <u>non-subscriber</u> of Hendricks' program delivery system <u>in response to a signal indicating a selection of that segment</u>.

In particular, paragraph 186, cited by the Examiner, refers to a "menu driven program selection system ...to allow the subscriber to choose a program" in an NVOD or other type of broadcasting service: "The final choice in the series of menus will identify one particular channel and one time for activation of that channel. Armed with a channel and activation time the set top terminal 220 can display the selected program" Each program is assigned an alpha-numeric code that "identifies ... its transmission time(s)" (emphasis added).

Paragraph 186 refers to an NVOD and/or other type of broadcasting service where the selected program is <u>currently being broadcast or is scheduled to be broadcast on a particular channel</u> – regardless of whether any individual subscriber selects that particular program or not. Hendricks responds to a signal from a <u>subscriber</u> selecting the program by granting access to the channel carrying, or scheduled to carry, that program: "When the movie's start time is approaching, the set top terminal 220 will automatically bring the viewer to the correct channel carrying the movie" Paragraph 309. If the subscriber does not select the program, the program will still be transmitted – the subscriber's set top terminal just will not be tuned to that channel.

Hendricks does <u>not</u> transmit the program in response to any signal indicating a selection of that program. The transmission of such programs is pre-determined by the service provider.

Also note that paragraph 186 refers to programs, and not segments of programs.

Paragraph 264, also cited by the Examiner, merely describes the buttons on a remote control device.

Paragraphs 280 and 281 describe numerous types of menus available to the subscriber:

"[T]he introductory menu 1000 followed by the home menu 1010 is the preferred sequence of on-screen displays."

"[T]he home menu 1010 provides a choice of ten major menus"

"[T]he subscriber is then provided with a second submenu 1058 describing the program that the subscriber has selected."

"[T]he subscriber may now confirm his program choice and receive a confirmation submenu"

Paragraphs 284-286 describe "examples of introductory menu screens that are displayed on the subscriber's television" (paragraph 284).

Nothing disclosed in the cited paragraphs or FIGS. supports the Examiner's assertion that Hendricks' transmits a segment (e.g., a preview) of a program in response to a signal indicating a selection of that segment by a non-subscriber of Hendricks' television program delivery system.

If the Examiner maintains his assertion, the Examiner is invited to cite, by paragraph and line number(s), exactly where Hendricks allegedly discloses the transmission of program segments to non-subscribers of its system.

IV) The Examiner asserted that Hendricks "<u>prevents</u> transmission of one of the video programs to the viewing station <u>when the second signal indicates a selection</u> of the one video program <u>by</u> one of the <u>non-subscribers</u>," and cited Hendricks' FIGS. 15-18, 30-51, 112, 114, page 19, paragraphs 284-294, 296-302, 316, 317, 330-336, and 353-358 (final Office Action, page 3; emphasis added).

This assertion is completely baseless.

Hendricks makes no such disclosure.

In an attempt to support this assertion, the Examiner cited <u>50 drawing sheets</u> and <u>33 paragraphs</u> across <u>8 pages</u> (pages 19-26) of Hendricks – <u>none of which discloses or suggests</u> the Examiner's assertion.

To the contrary, the cited paragraphs support applicants' argument that Hendricks is directed to <u>only subscribers</u> and does <u>not</u> provide <u>on-demand previews</u> to <u>non-subscribers</u> of its television program delivery system.

In particular, paragraphs 284-293 refer to introductory and home "menu screens that are displayed on the <u>subscriber's television</u>." Paragraph 284; emphasis added. "[T]he preferred home menu 1010 ... displays both the standard channel line up and the programming on demand icons <u>for selection by the subscriber</u>." Paragraph 288; emphasis added. The reference to "programming on demand" refers to <u>NVOD</u> programs.

Paragraph 294 refers only to major menus, such as "hit movies."

Paragraphs 297 and 298 refer to menus being consistent and following a pattern in order to be user-friendly.

Paragraphs 302, 316, and 317 describe an NVOD service and its related menus.

As discussed above, programs are broadcast on multiple channels at staggered times – regardless of whether or not a subscriber selects any of the programs -- this is <u>not</u> a VOD service as claimed by applicants.

Paragraphs 330 to 336 "relate to the ordering of specialty channels" (paragraph 330; emphasis added). As discussed above, Hendricks offers specialty channels, such as, for example, "a science fiction channel" (paragraph 336), to subscribers willing to pay extra for such a channel. As Hendricks itself acknowledged, this "is different ... in that individual programs are not ordered but instead channels are subscribed to" (paragraph 330; emphasis added). Upon agreeing to pay, "the subscriber is allowed to join the channel in progress" (paragraph 332) – in other words, Hendricks' program delivery system continuously transmits the specialty channel to viewing stations regardless of whether any particular subscriber orders the channel or not.

No transmission of any program is <u>prevented</u> because a subscriber does not order a specialty channel.

Paragraphs 353 to 355 refer to a high definition television (HDTV) feature.

Similar to specialty channels, "the subscriber ... will either receive ... a suggestion to order the system, or a text note that he is a current subscriber and a listing of the currently available program selections in HDTV [T]he subscriber ... may be allowed to join one of the programs in progress" (paragraph 353; emphasis added).

As with specialty channels, Hendricks' program delivery system <u>continuously</u> transmits HDTV programming to viewing stations regardless of whether any particular

<u>subscriber</u> orders the HDTV feature or not. Upon ordering, Hendricks' system grants <u>access</u> to the particular channels carrying the HDTV programming.

Hendricks does <u>not</u>, however, <u>prevent transmission</u> of any HDTV programming just because a subscriber does not order HDTV.

Paragraph 356 refers to TV guide services that "list[] programs available on network schedules."

Paragraph 357 refers to a record feature wherein a "viewer may choose to record the selected program on his VCR." Again, applicants' VOD service advantageously eliminates the need for such a record feature.

And paragraph 358 refers to a "broadcast TV menu option."

None of the 33 paragraphs cited by the Examiner describes any occurrence of a program selected by a non-subscriber.

None of the 33 paragraphs cited by the Examiner describes any occurrence of a signal that prevents transmission of a program selected by a non-subscriber.

Thus, <u>none</u> of the 33 paragraphs cited by the Examiner supports the assertion that Hendricks <u>prevents</u> the <u>transmission</u> of a video <u>program</u> to a set top terminal when a signal indicates a selection of the <u>program</u> by a <u>non-subscriber</u> of Hendricks' program delivery system.

If the Examiner maintains his assertion, the Examiner is invited to cite, by paragraph and line number(s) within each paragraph, exactly where Hendricks makes such a disclosure.

V) Notwithstanding the above, the Examiner concluded that Hendricks' "disclosure clearly discloses a system which permits subscribe(s) to instantly subscribe to non-subscribe

[sic] programs/channels. Hence Applicant's arguments are not persuasive." Final Office Action, page 4; emphasis added.

The purported ability of Hendricks' subscribers to <u>instantly</u> order specialty and HDTV channels and programs is <u>completely irrelevant</u> to seven (7) of applicants' eight (8) independent claims.

In particular, the Examiner's conclusion is completely irrelevant to independent claim 1, which requires, among other things, <u>transmitting</u> a <u>segment</u> of a program to a viewing station <u>when</u> a second signal indicates a selection of that segment by <u>either</u> a subscriber or a <u>non-subscriber</u> of a <u>VOD</u> service.

The Examiner's conclusion is completely irrelevant to amended independent claim 7, which requires, among other things, a multiple processor computer that allows a list and <u>previews</u> to be transmitted <u>on demand</u> to subscribers and <u>non-subscribers</u> of a VOD service.

The Examiner's conclusion is only <u>partially</u> relevant to amended independent claim 10, which <u>also</u> requires, among other things, (1) displaying on a display a <u>segment</u> of a program <u>received in response</u> to selection of that segment by a <u>non-subscriber</u> of a <u>VOD</u> service, and (2) preventing display on the display of a video program selected by a non-subscriber of the VOD service.

The Examiner's conclusion is completely irrelevant to amended independent claim 14, which requires, among other things, a telecasting facility comprising a first computer programmed to allow program lists and <u>previews</u> of programs on the list to be transmitted <u>on</u> <u>demand</u> to subscribers and non-subscribers of a VOD service.

The Examiner's conclusion is completely irrelevant to amended independent claim 16, which requires, among other things, (1) displaying on a display a <u>segment</u> of a program received in response to selection of that segment by a <u>non-subscriber</u> of a <u>VOD</u> service, and (2) preventing display on the display of any video program selected by a non-subscriber of the VOD service.

The Examiner's conclusion is completely irrelevant to independent claim 19, which requires, among other things, (1) <u>preventing transmission</u> of a selected video program to a viewing station when an identifier received from that viewing station is not on a list of identifiers corresponding to subscribers of a <u>VOD</u> service, and (2) <u>transmitting</u> a selected <u>segment</u> of a video program to a viewing station when an identifier received from that viewing station is <u>not</u> on the list of identifiers.

The Examiner's conclusion is completely irrelevant to amended independent claim 21, which requires, among other things, a first computer programmed to allow program lists and <u>previews</u> to be transmitted <u>on demand</u> to subscribers and <u>non-subscribers</u> of a <u>VOD</u> service.

And lastly, the Examiner's conclusion is completely irrelevant to amended independent claim 36, which requires, among other things, displaying on said display a <u>segment</u> of a program <u>received in response</u> to a selection of that segment by a <u>non-subscriber</u> of a <u>VOD</u> service.

The Examiner is apparently ignoring the limitations of applicants' claims.

VI) The Examiner also concluded that "it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the system of Hendricks with the phrase

'non-subscriber(s)' to distinguish between subscribers and non-subscribers" (Final Office Action, page 9).

This conclusion is absolutely baseless.

Nothing has been cited by the Examiner to support such a conclusion.

"The Federal Circuit has stated that 'rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." MPEP § 2142.

Furthermore, "[w]ith regard to rejections under 35 U.S.C. 103, the examiner must provide evidence which as a whole shows that the legal determination sought to be proved (i.e., the reference teachings establish a *prima facie* case of obviousness) is more probable than not." MPEP § 2142; emphasis added.

Accordingly, the Examiner has not produced a *prima facie* case of obviousness and "the applicant is under no obligation to submit evidence of nonobviousness" MPEP § 2142.

Moreover, because applicants' claim limitations described above in Section V are completely missing from Hendricks, and the Examiner has cited <u>nothing</u> to support his assertion that it would be obvious to modify Hendricks, applicants submit that the Examiner is using <u>impermissible hindsight reasoning</u> to arrive at that conclusion.

* *

In sum, Hendricks does not in any way render obvious applicants' invention as defined in independent claims 1, 7, 10, 14, 16, 19, 21, and 36.

For at least these reasons, dependent claims 2-6, 8, 9, 11-13, 15, 17, 18, 20, 22-35, 37, and 38, which depend directly or indirectly from the independent claims, are also not obvious from Hendricks (i.e., dependent claims are patentable if their independent claim is patentable).

Accordingly, applicants respectfully request that the rejections of claims 1-38 under 35 U.S.C. § 103(a) be withdrawn.

Conclusion

The foregoing demonstrates that claims 1-38 are allowable. This application is therefore in condition for allowance. Reconsideration and allowance are accordingly respectfully requested.

Respectfully submitted,

Garry J. Turha

Registration No. 40,210 Attorney for Applicants

JONES DAY

Customer No. 20583

222 East 41st Street

New York, New York 10017

(212) 326-3939